



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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December 16, 1997

William Bown
Utah Building Stone Supply
842 West 400 North
West Bountiful, Utah 84087

Re: Initial Review of Notice of Intention to Commence Large Mining Operations, Utah
Building Stone Supply, Grouse Creek Operations, M/003/031, Box Elder County, Utah

Dear Mr. Bown:

The Division has completed a review of your draft Notice of Intention to Commence Large Mining Operations for the Grouse Creek Operations, located in Box Elder County, Utah, which was received December 1, 1997. After reviewing the information, a few technical concerns remain which will need to be addressed before we can issue our tentative approval of your application. Our comments are listed below under the applicable Minerals Rule heading. Please format your response in a similar fashion.

The BLM has indicated that they will not be able to complete their review within the timeframe established by our Board. Therefore, they will send their comments directly to you as soon as they complete their review. Even though our permit will include those areas which you have identified as BLM managed, you will still need to satisfy their requirements before you continue mining activity on the BLM portion of your permit area.

The Division will suspend further review of the Grouse Creek Operations mine NOI until your response to this letter is received. Please note, as per the Board of Oil Gas and Mining Stipulation (dated December 1, 1997), your response must be received by the Division no later than 5:00 pm, January 5, 1998. Once we have determined your application to be technically complete, we will publish a notice of tentative approval. This notice will begin a 30-day public comment period. Provided we receive no substantive public comments during this period, we will then seek Board approval of the amount and form of reclamation surety at the next scheduled Board Hearing.

Page 2
Initial Review
M/003/031
December 16, 1997

If you have any questions in this regard please contact me, Lynn Kunzler, or Tony Gallegos of the Minerals Staff. If you wish to arrange a meeting to sit down and discuss this review, please contact us at your earliest convenience. Thank you for your cooperation in completing this permitting action.

Sincerely,

A handwritten signature in cursive script that reads "D. Wayne Hedberg". The signature is fluid and stylized, with a long horizontal flourish extending from the end of the name.

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

Attachments: Review, reclamation estimate
cc: Mary Ann Wright, DOGM
Mike Ford, BLM
John Blake, SITLA

**INITIAL REVIEW OF NOTICE OF INTENTION
TO COMMENCE LARGE MINING OPERATIONS**

**Utah Building Stone Supply Company
Grouse Creek Operations**

M/003/031

R647-4-105 - Maps, Drawings & Photographs

105.2 Surface facilities map

Please provide a map of the proposed process area, including the locations of topsoil storage areas and material (rock) stockpiles. (LK)

R647-4-106 - Operation Plan

106.3 Estimated acreages disturbed, reclaimed, annually.

Total area for the Grouse Creek Operations (as discussed below) currently affects 106.8 acres (as digitized from topographic base map). Affected area that will require reclamation surety (bond) is 14.5 acres (please refer to the attached reclamation surety estimate). No reclamation surety will be required for those areas where reclamation is not required (roads to be left for post mining access and talus areas where no regrading or reseeding is required).

At this time, the Division assumes that rock removal activities will only occur in the North Canyon, Middle Slide, and Rusty Rock locations. Talus areas as identified on the base map generated for these areas involve 72.0 acres. No mining activity will occur in the south slide area (8.8 acres of talus in this area) until an amendment/revision is submitted and approved. The process/grading area will involve 1 acre.

Roads associated with the project area involve a total of 33.8 acres. Of this acreage, it is assumed that 22.2 acres will remain for post-mining access (16.2 acres will be public access roads, 1.9 acres will be private access roads and 4.1 acres will be access to SITLA lands). Approximately 11.6 acres of road are currently designated as mine access and will require ultimate reclamation. Of the 11.6 acres, 3.1 acres were reclaimed the fall of 1997, 7 acres will be reclaimed during the 1998 season, and 1.5 acres will be reclaimed at the end of mining. If these assumptions are incorrect, please provide the correct acreage figures. (LK)

R647-4-107 - Operation Practices

107.6 Concurrent reclamation

The Division has confirmed that approximately 3.1 acres of road were reclaimed in the fall of 1997, by ripping compacted areas, constructing water bars and barricades as necessary, and seeding. The permit application indicates that an additional 7 acres of road are planned for reclamation during the 1998 season using the same methodology.

R647-4-111 - Reclamation Practices

111.8 All roads & pads reclaimed

See comments under R647-4-106.3 and R647-4-112. (LK)

R647-4-112 - Variance

While no variance was requested in the application, a variance will be approved for Rule R647-4-111.8: Reclamation of All Roads. While the variance is not needed for the public (BLM/County) access roads, it is needed for the 4.1 acres of road on State leased (SITLA) lands and the 1.9 acres of road for private access. SITLA has requested that the roads on there lands remain to facilitate the future. However, In order to allow the 1.9 acres of road for private access (north canyon area), the Division will need a letter from the Grouse Creek Cattle Association requesting the road to remain for access to their lands and that they will take over responsibility and maintenance of the road after mining ceases. (LK)

R647-4-113 - Surety

The Division has prepared a reclamation surety estimate based on the reclamation description in the text of the plan and the Exhibit A map. Based on this information the amount of reclamation surety required by the Division is \$14,000 in terms of year 2002 dollars (see attached estimate). This amount includes five years of escalation. The additional information requested in this letter may cause some modifications to the reclamation surety estimate. (AAG)

| | | | | | | |
|----|--|-------------------------------------|---------------------|---------|-----------------|------|
| 1 | RECLAMATION SURETY ESTIMATE | | | | | |
| 2 | Utah Building Stone Supply Company | | last revision | | 12/12/97 | |
| 3 | Grouse Creek Operations | | filename m03-31.wb2 | | page "ESTIMATE" | |
| 4 | M/003/031 | | Box Elder County | | | |
| 5 | Prepared by Utah State Division of Oil, Gas & Mining | | | | | |
| 6 | -No buildings or permanent structures are proposed | | | | | |
| 7 | -Mine access roads will be ripped, water barred, & broadcast seeded | | | | | |
| 8 | -The 1 acre process/grading area will be ripped, topsoil replaced & the area broadcast seeded | | | | | |
| 9 | -Affected talus slope areas are included in disturbed area (72 acres), but require no reclamation treatments | | | | | |
| 10 | -Approximately 33.3 acres talus areas are BLM ; approximately 36.7 acres of talus areas are SITLA | | | | | |
| 11 | -Access roads affect 33.8 acres; 22.2 acres will have a post mine land use; 11.6 acres require reclamation | | | | | |
| 12 | -Approximately 3.1 acres of road reclaimed fall 1997; 8.5 acres of road remain to be reclaimed | | | | | |
| 13 | -Total affected area = talus slopes + roads + staging area; 72.0 + 33.8 + 1.0 = 106.8 acres | | | | | |
| 14 | -Total disturbed area requiring reclamation = private access road + BLM access road sections + staging | | | | | |
| 15 | -Total disturbed area requiring reclamation = 1.9 + 11.6 + 1.0 = 14.5 acres | | | | | |
| 16 | -Approximately 3.1 acre of BLM roads were reclaimed fall 1997, but unreleased; 8.5 acres to be reclaimed | | | | | |
| 17 | -The 1.9 acre road could be excluded from reclamation if the private land owner provides a written request | | | | | |
| 18 | -Amount of disturbed area which will receive reclamation treatments = | | | | 14.5 acres | |
| 19 | -Estimated total disturbed area for this mine = | | | | 106.8 acres | |
| 20 | Activity | Quantity | Units | \$/unit | \$ | Note |
| 21 | | | | | | |
| 22 | Ripping process/grading area | 1.0 | acre | 269 | 269 | (1) |
| 23 | | | | | | |
| 24 | Ripping access roads - dozer | 8.5 | acre | 269 | 2,287 | (1) |
| 25 | Regrading access roads - dozer (~1 mile private) | 1.9 | acre | 602 | 1,144 | (2) |
| 26 | | | | | | |
| 27 | Topsoil replacement staging area - 8 inches, 1 acre | 1,076 | CY | 0.46 | 495 | (3) |
| 28 | | | | | | |
| 29 | Broadcast seeding roads & staging(~20 lb/acre) | 9.5 | acre | 170 | 1,615 | (4) |
| 30 | Broadcast seeding private road(~20 lb/acre) | 1.9 | acre | 170 | 323 | (4) |
| 31 | Reseeding -broadcast seeding (~20 lb/acre) | 3.1 | acre | 170 | 527 | (4) |
| 32 | | | | | | |
| 33 | General site cleanup & trash removal (50% area) | 7.3 | acre | 50 | 363 | (5) |
| 34 | | | | | | |
| 35 | Equipment mobilization - Burley, Idaho closest city | 2 | equip | 700 | 1,400 | (6) |
| 36 | | | | | | |
| 37 | Reclamation Supervision | 8 | days | 356 | 2,848 | (7) |
| 38 | | Subtotal | | | 11,270 | |
| 39 | 10% Contingency | | | | 1,127 | |
| 40 | | Subtotal | | | \$12,397 | |
| 41 | Escalate for 5 years at 2.52% per yr | | | | 1,643 | |
| 42 | | Total | | | \$14,039 | |
| 43 | | Rounded surety amount in yr 2002-\$ | | | \$14,000 | |
| 44 | Average cost per reclaimed acre = | | | \$966 | | |
| 45 | Average cost per disturbed acre = | | | \$131 | | |

| | | | |
|----|-----------------------------------|-------------------------------------|-----------------|
| 43 | | Rounded surety amount in yr 2002-\$ | \$14,000 |
| 44 | Average cost per reclaimed acre = | \$966 | |
| 45 | Average cost per disturbed acre = | \$131 | |

| | | | |
|--|---|---------------------|-----------------|
| RECLAMATION SURETY ESTIMATE - NOTES | | | |
| Utah Building Stone Supply Company | | last revision | <u>12/12/97</u> |
| Grouse Creek Operations | | filename m03-31.wb2 | page "ESTIMATE" |
| M/003/031 | | Box Elder County | |
| Prepared by Utah State Division of Oil, Gas & Mining | | | |
| Note | | | |
| (1) | Means 1997 & Rental Rate Blue Book 4/97: Cat D8N, U, multi shank rippers, speed 0.8 mph | | |
| (1) | Means 1997 & Rental Rate Blue Book 4/97: Cat D8N, U, multi shank rippers, speed 0.8 mph | | |
| (2) | Means 1997 & Rental Rate Blue Book 4/97: Cat D8N, U, mtl 2550 lb/CY, 75 ft push, 1 ft depth | | |
| (3) | Means 1997 & Rental Rate Blue Book 4/97: Cat D8N, U, mtl 2550 lb/CY, 100 ft push | | |
| (4) | DOGM general estimate - broadcast seeding | | |
| (4) | DOGM general estimate - broadcast seeding | | |
| (4) | DOGM general estimate - broadcast seeding | | |
| (5) | DOGM general estimate - site cleanup & trash removal | | |
| (6) | DOGM general estimate - equipment mobilization | | |
| (7) | Means 1997, 010-036-0180, project manager, minimum \$1780/wk | | |